

Chapter RL 25

EDUCATION

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Note: Chapter REB 16 as it existed on October 31, 1979, was repealed and a new Chapter REB 16 was created effective November 1, 1979. Renumbered chapter RL 25, effective March 1, 1983.

RL 25.005 Authority. The following rules are adopted pursuant to ss. 227.11 (2), 452.05, 452.07, 452.09 (2) and (3) and 452.12 (5) (c), Stats.

History: Cr. Register, October 1979, No. 286, eff. 11-1-79; renum. from REB 16.005 and am. Register, February, 1983, No. 326, eff. 3-1-83; am. Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.01 Definitions. As used in this chapter, unless the context otherwise specifically requires:

(1) "Accredited institution of higher education" means a law school accredited by the American bar association or other schools accredited by one of the regional institutional accrediting commissions or associations which have been recognized by the U.S. commissioner of education.

(2) "Board" means the real estate board.

(3) "Continuing education course" means an approved segment of the total number of continuing education hours required by the department pursuant to s. 452.05 (1) (d), Stats.

(4) "Continuing education program" means the total number of continuing education hours required by the department pursuant to s. 452.05 (1) (d), Stats.

(5) "Credit course" means a course which can be applied toward an associate degree or higher degree at an accredited institution of higher education.

(6) "Evidence of attendance" means an official transcript, student grade report, or department-approved certificate showing satisfactory completion of educational programs or courses.

(7) "Hour" means a period of 50 minutes of actual classroom instruction and shall not include time spent in writing tests or examinations given by the school.

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(8) "Noncredit program" means an educational program which does not satisfy requirements for an associate degree or higher degree at the school offering the educational program.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.01 and am. (1) and (6), Register, February, 1983, No. 326, eff. 3-1-83; renum. (1) to (5) to be (2), (7), (5), (8), (1) and am. (8), cr. (3) and (4), am. (6), Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.02 Educational requirements of applicant for an original real estate broker's license. (1) EDUCATIONAL REQUIREMENTS. Each applicant for an original real estate broker's license shall:

(a) Present evidence satisfactory to the department of successful completion, within 5 years before application for a license, of the 36-hour educational program in sub. (2) which has been approved in accordance with this chapter and either satisfy educational requirements in s. RL 25.03 (3) or present evidence satisfactory to the department of licensure as a salesperson in Wisconsin;

(b) Submit proof that the applicant has received 20 semester hour credits in real estate or real estate related law courses from an accredited institution of higher education. A quarter hour credit equals 2/3 of a semester hour credit; or

(c) Submit proof that the applicant is licensed to practice law in Wisconsin.

(2) **BROKER'S 36-HOUR PROGRAM.** The 36-hour educational programs for applicants for an original real estate broker's license shall cover all of the topics under each paragraph title, be presented during no less than the number of hours stated after each paragraph title, and include:

(a) *Contracts.* 2 hours.

1. Definition of a contract.

a. Contract versus agreement.

2. Elements of a contract.

a. Offer.

b. Acceptance.

c. Consideration.

d. Competent parties.

3. Time is of the essence.

4. Acceptance versus counteroffers.

5. The law of conveyances.

a. Conveyance defined.

b. Requirements for a valid conveyance.

6. Agreement to arbitrate real estate transaction disputes - s. 788.015, Stats.

(b) *Approved forms.* 4 hours.

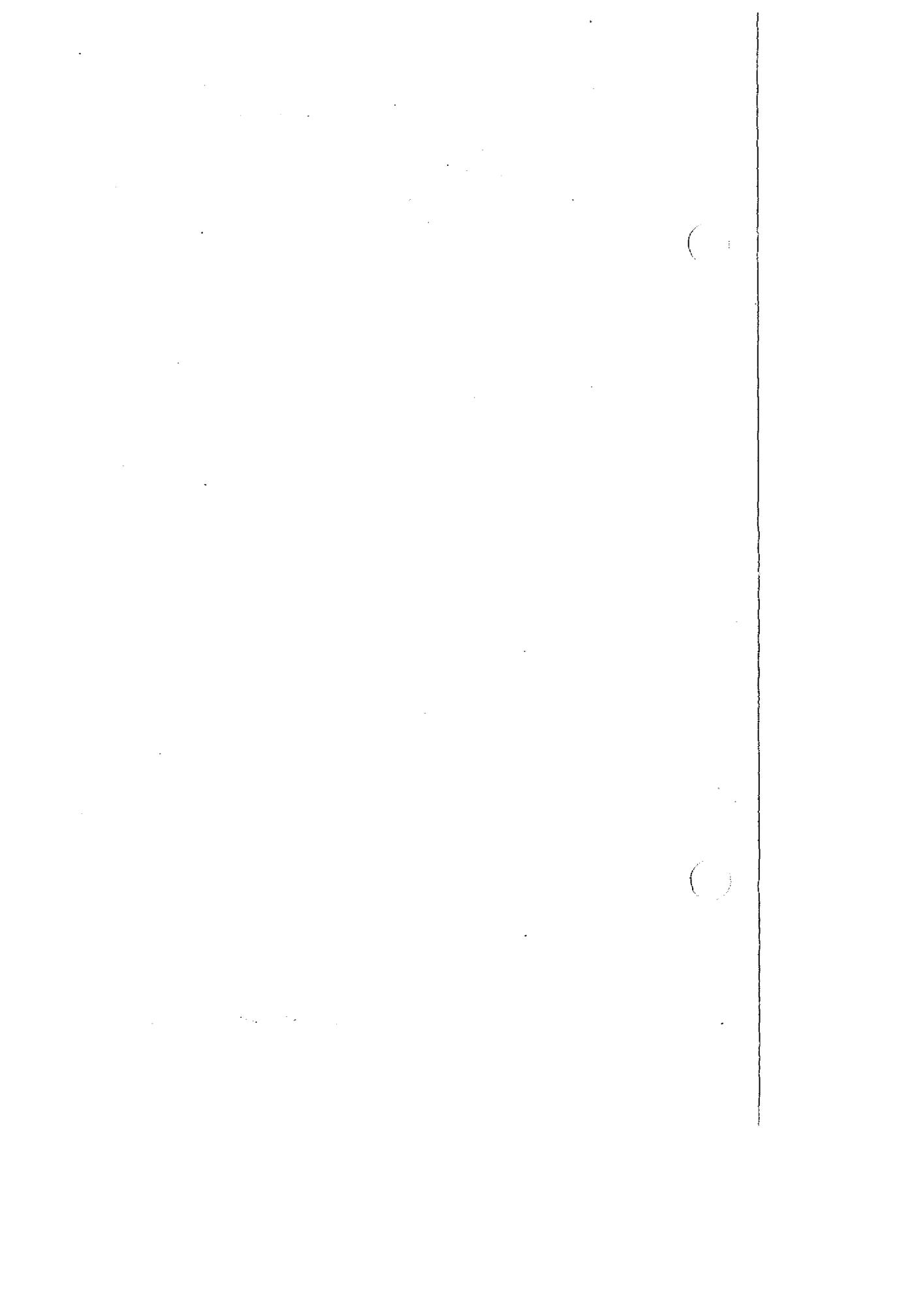
1. The forms approval process.

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- a. Forms committee.
- b. Real estate board.

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7. Dealings with licensee and salespeople.
 - a. Licensee supervision - s. RL 17.08.
 - b. Office supervision - s. RL 17.09.
 - (h) *Consumer protection*, 5 hours.
 1. Disclosure.
 - a. Property inspections - s. RL 24.07 (1) (a).
 - b. Investigation of other facts - s. RL 24.07 (1) (b).
 - c. Use of third party inspectors - s. RL 24.07 (2).
 - d. Wisconsin statutes s. 452.23, Stats.
 - e. Civil liability for misrepresentation.
 - f. Seller's disclosure duties - ch. 709, Stats.
 - g. Buyer's inspection obligation.
 2. Fair housing.
 - a. Federal law.
 - b. State of Wisconsin law.
 - c. Local fair housing law.
 - d. Sanctions for violations.
 - e. Testers and fair housing organizations.
 - f. Conduct prohibited by fair housing law.
 - g. Responding to fair housing questions.
 - h. Instituting equal professional service procedures.
 3. Antitrust: conspiracy and group boycotts.
 - a. Section 1 of the Sherman Act.
 - b. "Conspiracy" requirement.
 - c. "Restraint of trade" requirement.
 - d. Compensation and "prices" which have been fixed.
 - e. Situations creating inferences of price fixing.
 - f. How to respond to antitrust situations.
 - g. Elements same as price fixing - conspiracy and restraint of trade.
 - h. Situations creating inference of boycott.
 - i. Good boycotts: sanctions necessary to enforce reasonable industry self regulation.
 4. Complaint handling procedures.
 - a. Consumer satisfaction.

- b. Liability avoidance.
 - c. Feedback on fair housing or other law violations.
 - d. Prevent complaint through education.
 - e. Document the complaint handling program in policy and procedures manual.
 - f. Inform the parties of the complaint handling program.
 - g. Dispute resolution systems.
5. Environmental factors.
- a. Underground storage tanks: registration and closure.
 - b. Asbestos.
 - c. Radon.
 - d. Procedures for "high risk" properties.
 - e. Wetlands and floodplain.
6. Education buyers and sellers.
- a. Property inspection and disclosure of defects.
 - b. Earnest money procedures.
 - c. Licensees' responsibilities and expertise.
 - d. Utilizing third party experts.
- (i) *Specialty areas*. 3 hours.
- 1. Property management.
 - a. Management contracts.
 - b. Insurance liability.
 - c. Security deposits.
 - d. Breach of lease.
 - e. Property inspections.
 - f. Tenant and landlord rights and obligations - ch. ATCP 134.
 - g. Rules regarding negotiating leases.
 - 2. Business opportunities.
 - a. Special expertise and licensing requirements - s. RL 24.03.
 - b. Approved forms.
 - c. Bulk sales law.
 - 3. Selling specialized properties as a brokerage activity.
 - 4. Alternative marketing methods.
 - a. Exchanges.

- b. Installment sales.
- c. Syndication.
- d. Cooperatives.
- 5. Mortgage banking.
 - a. Definition of mortgage banker, loan originator, loan solicitor.
 - b. When separate registration is needed.
 - c. Legality of referral fees, "Real Estate Settlement Procedures Act."
- 6. Real estate appraisal.
 - a. Definition.
 - b. When separate certification is needed.
- 7. Farms.
 - a. Specialized forms.
- 8. Auctions.
 - a. Auctioneer requires real estate license to call auction of real estate.
- 9. Mobile homes.
 - a. When a real estate license or separate license is required.
- 10. Time-share.
 - a. Familiarity with ch. 707, Stats., when selling time-shares.

(3) **SATISFACTION OF BROKER'S 36-HOUR PROGRAM BY OUT-OF-STATE APPLICANTS.** An applicant who has held an active real estate license in another licensing jurisdiction within the 2 year period prior to filing an application for an original real estate broker's license may satisfy the requirements of sub. (2) if the applicant submits evidence of attendance at 20 hours of education in sub. (2) (a), (b), (c), (g) and (h) which shall be completed at a school approved by the department under s. RL 25.05 or 25.06. The remaining contents in sub. (2) may be completed at any school, provided that the department shall determine whether the contents are substantially equivalent to those offered by schools whose programs have been approved by the department.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; cr. (4), Register, April, 1981, No. 304, eff. 5-1-81; am. (1), (4) (intro.) and (b), Register, June, 1982, No. 318, eff. 7-1-82; renum. from REB 16.02 and am. (1) and (4) (intro.), Register, February, 1983, No. 326, eff. 3-1-83; am. (1), (3) (intro.), (a) (intro.), (b) (intro.) and (c) (intro.), r. and recr. (2), cr. (5), Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January 1992, No. 433, eff. 2-1-92; am. (1) (a), (2) (h), 1. l., (3), cr. (2) (a) 6., Register, September, 1993, No. 453, eff. 10-1-93.

RL 25.03 Educational requirements of applicant for an original real estate salesperson's license. (1) GENERAL REQUIREMENTS. Each applicant for an original real estate salesperson's license shall present evidence of attendance, within 5 years before application for a license, at the 72-hour educational program approved by the department in accordance with this chapter.

(2) **TEN-HOUR WAIVER.** The educational requirement in sub. (1) is not required of an applicant who submits proof that the applicant has received 10 semester hour credits in real estate or real estate related law courses at an accredited institution of higher education. A quarter hour credit equals 2/3 of a semester hour credit.

(3) **SALESPERSON'S 72-HOUR PROGRAM.** The 72-hour educational program for applicants for an original real estate salesperson's license shall include:

(a) *Real property.* 4 hours.

1. Land, real estate and real property.
2. Real property versus personal property.
3. Classification of fixtures.
4. Characteristics of real estate.
5. Types of home ownership.
6. Types of housing - s. 70.043, Stats.
7. Ownership expenses.
8. Property features.
9. Investment considerations.
10. Tax benefits for home ownership.
11. Homeowner's insurance.

(b) *The real estate business.* 1 hour.

1. Real estate specialties.
2. The real estate market.
3. Factors affecting supply and demand.
4. Business cycles.
5. Real estate practice - ch. 452, Stats.

(c) *Real estate brokerage.* 3 hours.

1. Law of agency.
2. Creation and termination of agency.
3. Fiduciary duties.
4. Responsibilities to third parties.
5. Broker's and salesperson's compensation.
6. Antitrust laws.
7. Independent contractor versus employe.
8. Broker-to-broker relationships.
9. Sales associate-to-sales associate relationships.

(d) *Listing agreements*, 5 hours.

1. Listing property.
2. Listing agreements - ch. RL 16.
3. Special listing provisions.
4. Termination of listings.
5. Obtaining listings.
6. Pricing the property.
7. Disclosures.
8. Home warranties.

(e) *Interests in real estate*, 5 hours.

1. Government powers.
2. Estates in land.
3. Encumbrances.
4. Water rights.
5. Forms of ownership.
6. Trusts.
7. Ownership by business organizations.
8. Cooperatives.
9. Time-shares - ss. 70.095, 707.02, 707.05, 707.40, 707.47, 707.49, Stats.
10. Condominiums - ss. 703.08, 703.21, 703.33, Stats.
11. Homestead - ss. 706.01 (7), 766.605, Stats.

(f) *Legal descriptions*, 3 hours.

1. Methods of describing real estate.
2. Land units and measurements.
3. Measuring elevations.

(g) *Taxes and other liens*, 2 hours.

1. Liens and their effects on title.
2. Tax liens.
3. General tax assessment, equalization, tax bills.
4. Mortgage liens.
5. Mechanics liens.
6. Judgments.
7. Estate and inheritance tax liens.

8. Other liens.
 9. Taxes - ss. 74.15, 74.47 (1) and (2), Stats.
 10. Taxation and transfer fee - ss. 77.22, 77.27, Stats.
- (h) *Real estate contracts*. 15 hours.
1. Contract law.
 2. Elements of a valid contract.
 3. Performance of contract.
 4. Discharge of contract.
 5. Default or breach of contract.
 6. Forms used in real estate - ch. RL 16.
 - a. Listing agreements - s. 240.10, Stats.
 - b. Offers to purchase.
 - c. Buyer agency agreements.
 - d. Counteroffers.
 - e. Amendments.
 - f. Understanding closing statements.
 - g. Disclosure forms: seller condition report; agency; buyer and seller disclosure.
 - h. Addendums.
 - i. Cancellation and mutual release agreements.
 7. Agreement to arbitrate real estate transaction disputes - s. 788.015, Stats.
 - (i) *Title records and transfers of title*. 2 hours.
 1. Requirements of a valid conveyance - ss. 240.10, 706.02, 706.03, Stats.
 2. Types of deeds.
 3. Involuntary alienation.
 4. Probate.
 5. Transfer of title by will and descent.
 6. Public records and recording.
 7. Evidence of title.
 8. Uniform commercial code.
 9. Other conveyances.
 - (j) *Real estate finance and basic math*. 7 hours.
 1. Buyer qualification.

2. Mortgage instruments.
 3. Payment plans.
 4. Provisions for default: assignment; release; subject to.
 5. Land contracts.
 6. Secondary mortgage market.
- (k) *Appraisal - market analysis*. 5 hours.
1. Basic principles of value.
 2. Direct market comparison approach.
 3. Cost approach.
 4. Income approach.
 5. Appraisal process.
- (L) *Fair housing laws*. 2 hours.
1. Equal opportunity in housing.
 2. Federal fair housing law.
 3. Blockbusting, steering, redlining.
 4. Equal rights - s. 101.22, Stats.
 5. Equal opportunity - s. 66.432, Stats.
 6. Organizations.
- (m) *Ethical real estate practices*. 4 hours.
1. Ch. RL 24.
 2. Ethical business conduct.
- (n) *Leases*. 2 hours.
1. Leasehold estates.
 2. Standard lease provisions.
 3. Lease documents.
 4. Legal principles of leases.
 5. Assignment and subleasing.
 6. Improvements.
 7. Maintenance.
 8. Breach.
 9. Residential rental practices - ss. ATCP 134.02, 134.06, 134.09, 134.09.
- (o) *Property management*. 1 hour.
1. Functions of property manager.

2. Management agreement.
 3. Management considerations.
 4. Renting and maintaining the property.
 5. Risk management.
- (p) *Land use control and development.* 3 hours.

1. Public controls.
2. The master plan.
3. Zoning.
4. Subdivision regulations.
5. Private land-use controls.
6. Building codes.
7. Land development.
8. Subdividing.
9. Interstate land sales full disclosure act.
10. Platting and subdivisions - ss. 236.01, 236.02, 236.03, 236.31, 236.33, 236.335, 236.35, Stats.

(q) *Environmental concerns.* 3 hours.

1. Radon.
2. Asbestos.
3. Toxic waste.
4. Underground storage tanks - ss. ILHR 10.74 to 10.805.
5. Floodplains - s. 87.30, Stats. and ss. NR 116.01, 116.06.
6. Flood insurance.
7. Wetlands - s. 23.32, Stats.
8. Farmland preservation - ss. 91.01, 91.17, 91.19, 91.21, Stats.
9. Rental unit energy efficiency standards - ss. ILHR 67.03, 67.08.
10. Disclosure documents - s. 452.23 and ch. 709, Stats. and s. RL 24.07.
11. Other.

(r) *Miscellaneous Wisconsin license laws.* 5 hours.

1. Ch. RL 15 - documents and records.
2. Ch. RL 16 - contractual forms.
3. Ch. RL 17 - licensure and supervision of employes.
4. Ch. RL 18 - trust accounts.
5. Ch. RL 23 - change of name, address, trade names.

6. Commercial bulk sales - ss. 406.101, 406.012, 406.103, 406.104, 406.105, 406.107, 406.108, Stats.

7. Property provisions for aliens and corporations - ss. 710.01, 710.02, Stats.

8. Property rights of married persons - ss. 766.31, 766.51, 766.60, 766.63, Stats.

9. Mortgage banking - ss. 440.71, Stats., and s. RL 40.03 (4) (b).

(4) **SATISFACTION OF SALESPERSON'S 72-HOUR PROGRAM BY OUT-OF-STATE APPLICANTS.** An applicant who has held an active real estate license in another licensing jurisdiction within the 2 year period prior to filing an application for an original real estate salesperson's license may satisfy the requirements of sub. (3) if the applicant submits evidence of attendance at 23 hours of education in sub. (3) (b) 5, (e) 9 to 11, (g) 9 and 10, (h) 6, (i) 1, (L) 4 and 5, (m) 1, (n) 9, (p) 10, (q) 4 to 11 and (r) 1 to 9 which shall be completed at a school approved by the department under s. RL 25.05 or 25.06. The remaining contents in sub. (3) may be completed at any school, provided that the department shall determine whether the contents are substantially equivalent to those offered by schools whose programs have been approved by the department.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; am. (2) (intro.) and r. and recr. (2) (b), Register, April, 1981, No. 304, eff. 5-1-81; am. (2) (b), Register, June, 1982, No. 318, eff. 7-1-82; renum. from REB 16.03 and am. (2), Register, February, 1983, No. 326, eff. 3-1-83; r. and recr. Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92; am. (1), (3) (q) 10., (4), cr. (3) (h) 7., Register, September, 1993, No. 453, eff. 10-1-93.

RL 25.05 Requirements for approval of pre-license education courses taken for academic credit at an accredited institution of higher education. (1) A school seeking initial approval of pre-license credit courses in real estate shall submit its application on a form provided by the department. The department may require the following information and materials:

- (a) The department in the school which is offering the courses.
- (b) The method of instruction for each course.
- (c) The course number and title.
- (d) Detailed outlines of each course with specific allocations of classroom hours to each topic.
- (e) A current school bulletin.

Note: An applicant may obtain a copy of the Application for Approval of Credit Courses which satisfy the 72-hour and 36-requirement, Form #828, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

(2) The department may approve a pre-license credit course if it alone or in conjunction with one or more other courses covers all of the contents and the required number of hours, as provided in s. RL 25.02 (2) or 25.03 (3).

(3) When approving one or more pre-license credit courses, the department shall specify the single course or combination of courses which satisfy either the 36 hours in s. RL 25.02 (2) or the 72 hours in s. RL 25.03 (3).

(4) A school shall inform the department of any changes in the information it submitted in an application form within 10 days following the date of the change.

(5) A school may not discriminate against anyone on the basis of sex, race, color, sexual orientation as defined in s. 111.32 (13m), Stats., handicap, religion, age, physical disability, or national origin in their educational programs.

(6) Course approvals shall expire on August 15 following the date of initial approval and every August 15 thereafter. A school shall obtain approval of credit courses before the school conducts the courses in the year following August 15.

Note: An applicant may obtain a copy of the Application for Reapproval of Programs and Courses, Form #829, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.055 and am. Register, February, 1983, No. 326, eff. 3-1-83; renum. from RL 25.055, Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.06 Requirements for approval of pre-license programs and instructors. (1) **APPROVAL OF PROGRAMS.** (a) A school seeking initial approval from the department of pre-license educational noncredit programs shall submit its application on a form provided by the department. The approval of programs shall expire on August 15 following the date of initial approval and every August 15 thereafter. A school shall obtain approval of credit courses before the school conducts courses in the year following August 15.

Note: An applicant may obtain a copy of the Application for Approval of Noncredit 72-Hour and 36-Hour Programs, Form #830, and the Application for Reapproval of Programs and Courses, Form #829, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

(b) The department may require a school seeking initial approval and reapproval of pre-license educational programs to describe or furnish its organizational structure, registration policies, fee schedules, promotional materials, detailed outlines of each program with specific allocations of classroom hours to each topic, student records system, the names and qualifications of instructors, the method of instruction, the method for evaluating instructors and a summary of evaluations conducted, and the time, date and location of each program.

(c) A school shall inform the department of any changes in the information it submitted in an application form within 10 days following the date of the change.

(d) A school may not discriminate against anyone on the basis of sex, race, color, sexual orientation as defined in s. 111.32 (13m), Stats., handicap, religion, age, physical disability, or national origin in their educational programs.

(e) This section does not apply to approval of credit courses specified in s. RL 25.05.

(2) (a) Instructors of pre-license educational noncredit programs shall be approved by the department. Instructors shall be knowledgeable in the subject which they are teaching. The department may limit its approval to specific content areas set forth in ss. RL 25.02 (3) and 25.03 (3).
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Instructors shall possess at least one of the following minimum qualifications:

1. Be an instructor of real estate courses who is or has been engaged in the practice of teaching at an accredited institution of higher education.

2. Be a properly licensed or certified person who is engaged in the real estate aspects of appraising, financing, marketing, brokerage management, real property management, real estate counseling, real property law, or other related subjects and has been for at least 5 years continuously engaged in such practice.

3. Be a member of the state bar of Wisconsin who is engaged in the field of real estate-related law.

4. Be a person who, in the judgment of the department, is qualified by experience or education, or both, to supervise a course of study.

Note: An applicant may obtain a copy of the Application for Approval of Instructor, Form #331, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

(b) An instructor whose real estate license has been limited, suspended or revoked may not instruct in approved programs while the disciplinary action is in effect.

(c) A school shall make arrangements so that when instruction is provided by some means without the instructor physically present in the classroom and the students are unable to interact with the person doing the instructing another approved instructor will be present in the classroom. If the students are able to interact with the person doing the instructing a monitor, but not necessarily an approved instructor, shall be present.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.06 and am. Register, February, 1983, No. 326, eff. 3-1-83; am. (1) (a) 1., r. (2) (d) to (f), Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.065 Continuing education requirements for brokers and salespersons. (1) Each licensed broker and salesperson, except an inactive licensee under s. 452.12 (6), Stats., shall satisfy the continuing education requirement specified in s. 452.12 (5) (c), Stats., during each licensing biennium.

Note: The contents of the continuing education programs and courses are not designated in this chapter, pursuant to an exemption under s. 227.01 (13) (z), Stats.

(2) A licensee may only satisfy the continuing education requirement by successfully completing the continuing education program or courses which are approved by the department before the programs or courses are conducted, except that pursuant to s. 452.12 (5) (c) 2, Stats., the licensee may take the continuing education examination conducted by the department in lieu of the education.

(3) A licensee shall submit evidence of completion of the continuing education requirement when applying for renewal of license. The department shall withhold issuance of the renewal license until such evidence is submitted and the licensee may not engage in the practice of real estate until having submitted such evidence and having received the license.

(5) A person who receives an original license during a licensing biennium, and who was not licensed as either a salesperson or a broker on the

first day of the biennium is not required to satisfy the continuing education requirement during the biennium in which the person becomes a licensee. However, a person who held a salesperson's license before the first day of a biennium and subsequently receives a broker's license must satisfy the continuing education requirement during the biennium in which the person receives a broker's license.

(6) A licensee may attend more than one school in order to complete approved courses which are part of the continuing education program designated by the department under s. 452.05 (1) (d) and (g), Stats.

(6m) A licensee who attends an approved continuing education course and fails the examination given by the school at the end of the course shall retake the course and pass the course examination before being eligible to take the continuing education examination conducted by the department pursuant to s. RL 25.075.

(7) A licensee may complete less than the complete continuing education program designated by the department under s. 452 (1) (d) and (g), Stats., and subsequently take the continuing education examination conducted by the department.

(8) A licensee who acts as an instructor of an approved continuing education program or course may receive credit toward satisfaction of the licensee's continuing education requirement, provided the licensee successfully completes the program or course examination, as specified in s. RL 25.05. The licensee may not receive credit for teaching a specific course more than one time.

(9) The department may grant an extension of time for completion of the continuing education requirement by a licensee and the licensee may obtain a renewal license for the extension period for one of the following reasons:

(a) Health reasons which prevented attendance at continuing education courses or the continuing education examination;

(b) Active duty in the military service with assignment to a duty station outside Wisconsin; or

(c) Other compelling reasons beyond the control of the applicant while engaged in the real estate business.

History: Cr. Register, January, 1992, No. 433, eff. 2-1-92; am. (6m), r. (4), r and recr. (5), Register, September, 1993, No. 453, eff. 10-1-93.

RL 25.066 Requirements for approval of continuing education schools, courses and instructors. (1) A school seeking initial approval from the department of the continuing education program or a course shall submit its application on a form provided by the department. Approval of continuing education programs and courses shall terminate on December 31 following the last day of the licensing biennium. A school shall submit applications for approval of continuing education programs and courses to the department before conducting any continuing education program or course which the department has prescribed for a subsequent licensing biennium.

Note: An applicant may obtain a copy of the Request For Approval of Real Estate Continuing Education Program or Courses, Form #1747, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

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(2) Instructors of continuing education programs and courses shall be approved by the department. Instructors shall be knowledgeable in the subject which they are teaching and shall possess at least one of the following minimum qualifications:

(a) Be an instructor of real estate courses who is or has been engaged in the practice of teaching at an accredited institution of higher education.

(b) Be a properly licensed or certified person who is engaged in the real estate aspects of appraising, financing, marketing, brokerage management, real property management, real estate counseling, real property law, or other related subjects and has been for at least 5 years continuously engaged in such practice.

(c) Be a member of the state bar of Wisconsin who is engaged in the field of real estate-related law.

(d) Be a person who, in the judgment of the department, is qualified by experience or education, or both, to supervise a course of study.

Note: An applicant may obtain a copy of the Application for Approval of Instructor, Form #831, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

(3) An instructor whose real estate license has been limited, suspended or revoked may not instruct in approved programs while the disciplinary action is in effect.

(4) The department may require a school seeking initial approval and reapproval of continuing education programs and courses to describe or furnish its organizational structure, registration policies, fee schedules, promotional materials, detailed outlines of each program with specific allocations of classroom hours to each topic, student records system, the names and qualifications of administrators and instructors, the method of instruction, a summary of evaluations conducted, information about the school's response to complaints concerning an instructor, and the time, date and location of each continuing education program.

(5) A school shall inform the department of any changes in the information which it provided to the department in an application form within 10 days following the date of the change.

(6) The following are additional criteria for approval of continuing education programs or courses:

(a) Applicants for approval of continuing education programs or courses may not discriminate against anyone on the basis of sex, race, color, sexual orientation as defined in s. 111.32 (13m), Stats., handicap, religion, age, physical disability, or national origin in their educational programs.

(b) A school shall agree not to conduct an approved continuing education program or course during more than 6 hours in any one day.

(c) A school shall submit to the department with the application for approval at least 5 multiple-choice questions for each hour of instruction. The school shall clearly indicate the answer to each question and the portion of the course outline to which the question relates. The questions shall comply with reasonable standards of test development and shall relate to the substantive contents of the continuing education program or course. The questions shall be the original work of the writer and not

be published. A school may only make questions available to school personnel.

Note: An applicant may obtain a copy of the Continuing Education Question Development Form, Form #1746, and the Instructions for Submitting Continuing Education Questions, Form #1745, from the Wisconsin Department of Regulation and Licensing, 1400 East Washington Avenue, Room 281, P.O. Box 8935, Madison, Wisconsin 53708.

(d) A school shall agree to conduct an examination at the end of each continuing education program or course. The examination shall contain at least 5 multiple-choice questions for each hour of instruction. The examination shall be closed-book and the passing score shall be no less than 70 percent, unless the school provides substantial justification to the department for a lower score and the department approves the lower passing score.

(e) A school shall agree not to make available to students before the students take a specific examination the questions or answers to the questions. A school shall keep tests and answer sheets in a secure location at all times before and after administration of the examination, including during construction and printing.

(f) A school shall agree to inform students about the number of points of credit for each question in the examination and the passing score. It shall also provide clear instructions to students for recording their responses on the examination booklet.

(g) A school shall agree to provide each student with a certificate of attendance at a program or course. The certificate shall comply with the requirements in s. RL 25.07.

(h) A school shall agree to submit to the department within 30 days after completion of a program or course a list of those who attended the program or course. The list shall clearly state the name of the school; the name of the program, course or courses; the names of all those who completed the program or course and a clear indication of those who passed the examination and those who did not pass the examination; the date of birth or the license number of each person whose name appears on the list; the total number of hours credited to each successful student and the name and signature of an authorized agent of the school.

(i) A school shall make arrangements so that when instruction is provided by some means without the instructor physically present in the classroom and the students are unable to interact with the person doing the instructing another approved instructor will be present in the classroom. If the students are able to interact with the person doing the instructing a monitor, but not necessarily an approved instructor, shall be present.

(j) A school may not count examination time as part of the required classroom hours.

History: Cr. Register, January, 1992, No. 433, eff. 2-1-92; am. (2) (intro.), (4), Register, September, 1993, No. 453, eff. 10-1-93.

RL 25.07 Certification of attendance at pre-license and continuing education programs and courses. (1) ATTENDANCE REQUIREMENTS. A student shall attend all the required hours and receive all the required contents before a school may give a certificate of attendance to the student. In addition, for continuing education programs and courses a student shall Register, September, 1993, No. 453

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also satisfactorily complete the course examination administered by the school, as provided in s. RL 25.066 (6) (g) to (i).

(2) **CERTIFICATION OF ATTENDANCE.** (a) Schools shall provide an individual certificate of attendance to all students upon satisfactory completion of education programs and courses.

(b) The department may accept an official transcript or student grade report as evidence of satisfactory completion of credit courses.

(c) Certificates for pre-license noncredit programs and all continuing education programs and courses shall meet the following criteria:

1. Clearly state the name of the school.
2. Clearly state the name of the student.
3. Clearly state the name of the program or course and whether it satisfies prelicense or continuing education requirements.
4. Clearly state the number of hours the student has successfully completed both by attending the complete program or course or by passing the program or course examination.
5. Clearly state the date of completion of the program or course.
6. Be signed by an authorized person at the school.

(d) A school shall maintain attendance records for at least 5 years after a program or course has been conducted.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REE 16.07 and am. (1) (a), (b) and (c) and (2), Register, February, 1983, No. 326, eff. 3-1-83; r. (1) (d) and (e) and (2), renum. (3) to be (2) and am. Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.075 Continuing education examination conducted by the department. (1) The department shall conduct a continuing education examination pursuant to s. 452.12 (5) (c) 2, Stats.

(2) The department shall conduct the continuing education examination during each biennial licensure period, but not from July 1 to December 31 of each even-numbered year.

(3) The continuing education examination shall cover the subjects required for continuing education approved by the department under s. 452.05 (1) (d) and (g), Stats., and shall have no less than 5 questions for each hour of instruction in the approved continuing education program or courses.

(4) The department shall permit a licensee to retake the continuing education examination one time. If the licensee fails the examination a second time, the licensee shall attend an approved continuing education program or course and pass all course examinations.

(5) The department shall require a minimum passing score of 70 on the continuing education examination.

(6) The department shall permit licensees who take the continuing education examination to review the examination and the examination results, as provided in s. RL 12.025.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.075 and am. (1), Register, February, 1983, No. 326, eff. 3-1-83; r. (2), renum. (1) and am. Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.076 Correspondence courses. Correspondence courses do not satisfy educational requirements in this chapter except to satisfy requirements in ss. RL 25.02 (1) (b) and 25.03 (2).

History: Cr. Register, June, 1982, No. 318, eff. 7-1-82; renum. from REB 16.076, and am. Register, February, 1983, No. 326, eff. 3-1-83; am. Register, February, 1987, No. 374, eff. 6-1-87; am. Register, January, 1992, No. 433, eff. 2-1-92.

RL 25.08 Investigation and review. (1) PERIODIC REVIEW. The department, or its duly authorized representative, shall investigate and review all approved educational programs, courses, and instructors. The method of review shall be determined by the department in each case and will generally consist of the following:

(a) Consideration of information available from federal, state, or local agencies, private organizations or agencies, or interested persons.

(b) Conferences with officials or representatives of the school involved or with former students of the school.

(c) Public hearing respecting the educational program, course, or instructor involved, with adequate written notice to the school and/or instructor.

(d) Investigation by visitation to the school.

(2) **UPON COMPLAINT.** In addition to investigation upon its own initiation, the department may investigate any school or instructor upon receipt of a complaint from an interested person.

(3) **DENIAL OR WITHDRAWAL OF APPROVAL.** (a) The department may limit, suspend or revoke the approval of a school or instructor to conduct any program or course which had been approved pursuant to this chapter when the school or instructor:

1. Has falsified information on any application or certificate of attendance submitted to the department;

2. Has not complied with the conditions for approval;

3. Has given credit to students for an amount of time present in class when the actual amount was less than the credited amount;

4. Has divulged to students before administration of a continuing education course examination questions which will be used in the examination when administered;

5. Has not followed the course outline approved by the department;

6. Has provided instruction on several occasions when not adequately prepared to teach; or

7. Has violated any provisions in this chapter.

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Violation of subds. 1 to 4 may also be cause for disciplinary action against a licensee, pursuant to s. 452.14, Stats.

(b) If, after investigation, the department deems it proper to deny or withdraw its approval of any school, educational program, course, or instructor, the department shall follow the procedures in ch. RL 1 for denial of approval and the procedures in ch. RL 2 for limiting, suspending or revoking approval.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.08 and am. (1) (intro.), (2) and (3), Register, February, 1983, No. 326, eff. 3-1-83; am. (3), Register, January, 1992, No. 433, eff. 2-1-92; am. (3) (a), (b), Register, September, 1993, No. 453, eff. 10-1-93.